

HOUSE BILL 3338

By Faison

AN ACT to amend Tennessee Code Annotated, Title 45,
Chapter 2, Part 20, relative to private trust
companies.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 45-2-2001, is amended by deleting subdivision (b)(1) in its entirety and by substituting instead the following:

(1) "Family member" means any individual or person who is related within the fourth degree of affinity or consanguinity to any individual or individuals who control a private trust company or that is controlled by one (1) or more trusts or charitable organizations established by the individual or individuals. All individuals who control a private trust company or establish trusts or charitable organizations controlling the private trust company must be related within the second degree of affinity or consanguinity or lineal descendants of the original owners of a private trust company; and

SECTION 2. Tennessee Code Annotated, Section 45-2-2002, is amended by deleting subsection (c) in its entirety and by substituting instead the following:

(c) Change of control. Control of an exempt private trust company may not be transferred or sold with exempt status. In any change of control, the acquiring control person or individual must comply with this chapter, and the exempt status of the private trust company shall automatically terminate upon the effective date of the transfer, and no later. A separate application for exempt status must be filed if the acquiring person or individual wishes to obtain or continue an exemption pursuant to this section.

SECTION 3. This act shall take effect upon becoming law, the public welfare requiring it.